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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92046965
Party	Plaintiff Gander Mountain Company
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Gander Mountain Company,)	
)	
Petitioner,)	Cancellation No.: 92046965
v.)	Reg. No.: 3,086,200
)	Mark: THE GANDERGUNMEN
ELM Development, LLC,)	
)	
Registrant.)	

**PETITIONER’S MEMORANDUM IN SUPPORT
OF ITS MOTION FOR SUMMARY JUDGMENT**

The registration for the service mark at issue in this cancellation proceeding was procured by fraud. In various filings with the United States Patent and Trademark Office (“USPTO”), Registrant claimed that it was using the alleged mark, THE GANDERGUNMEN, in commerce in connection with “[e]ntertainment services, namely production and distribution of a hunting show.” But Registrant’s President, Eric L. Marhoun, admitted at his deposition that Registrant has *never* provided the claimed services – much less in connection with the alleged service mark.

The Trademark Trial and Appeal Board (“Board”) recently reiterated that the very integrity of the federal trademark registration system relies on applicants making true and accurate statements to the United States Patent and Trademark Office during the prosecution of a trademark application. *See Grand Canyon West Ranch, LLC v. Hualapi Tribe*, 2008 WL 2600669, *11 (T.T.A.B. June 30, 2008) (“The integrity of the registration system rests on the accuracy of the information provided . . .”). Registrant’s repeated false statements throughout the application process violated the implicit trust necessary for a functioning system. The Board should grant Petitioner’s motion for summary judgment and cancel Registrant’s service mark registration.

FACTUAL BACKGROUND

Registrant, ELM Development, LLC is a Minnesota based limited liability company with a single employee – the founder and President, Eric L. Marhoun. Registrant produces and sells its own line of hunting DVDs using the alleged mark THE GANDERGUNMEN. On December 9, 2003, Registrant filed an “intent-to-use” application for the mark THE GANDERGUNMEN, in connection with “[e]ntertainment services, namely, production and distribution of a hunting show.” *See* Registrant’s Intent-to-Use Application.

On June 20, 2005, Registrant filed its original Statement of Use (“Original Statement of Use”). Along with the Original Statement of Use, Registrant submitted as its specimen a photograph of a trailer with the words, “Team GanderGunmen” painted in large letters on the side with the phrase, “The men who brought your hard gravity!” painted in smaller letters below. *See* Registrant’s Original Statement of Use. In the Original Statement of Use, Registrant claimed September 2002 as the date of both first use anywhere, and first use in commerce in connection with provision of production and distribution services related to a hunting show. *Id.* Registrant also claimed that it was currently using the mark in connection with those services. *Id.*

On August 10, 2005, the USPTO refused Registrant’s submitted specimen “because it does not show use of the mark in the sale or advertising of the services specified.” *See* 8/10/05 Office Action. On February 10, 2006, Registrant submitted a substitute Statement of Use (“Substitute Statement of Use”). Once again Registrant claimed September 2002 as its date of first use anywhere, and its date of first use in commerce in connection with provision of production and distribution services related to a hunting show. *See* Registrant’s Substitute Statement of Use. Registrant also repeated its claim that it was currently using the mark in connection with those services. *Id.*

On December 12, 2007, Petitioner deposed Mr. Marhoun. At his deposition, Mr. Marhoun, who appeared as Registrant's 30(b)(6) designee as well as in his individual capacity, testified that Registrant never used the mark in connection with the stated services, including on the date alleged as the first use in commerce. Based on Mr. Marhoun's testimony, Petitioner amended its petition to cancel to include allegations that Registrant failed to use its alleged mark as a service mark, and that Registrant obtained its trademark through fraud. Petitioner now moves for summary judgment on both of these bases.

ARGUMENT

I. STANDARDS FOR SUMMARY JUDGMENT

Summary judgment in a trademark cancellation proceeding is appropriate where, as here, there are no genuine issues of material fact to be tried. *See Medinol Ltd. v. Neruro Vasx, Inc.*, 67 U.S.P.Q.2d 1205, 1208; Fed. R. Civ. P. 56(c) (summary judgment should be rendered "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law"). "As in court proceedings, summary judgment in trademark proceedings is designed to avoid useless trials where there is no genuine issue of as to any material fact." J. Thomas McCarthy, *MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION* § 29:132 (4th ed. 1996). A party opposing a motion for summary judgment cannot rely solely upon the allegations of its pleadings. *See Wilson Sporting Goods Co. v. Northwestern Golf Co.*, 172 U.S.P.Q. 182 (T.T.A.B. 1971).

II. PETITIONER HAS STANDING TO BRING THE PRESENT CANCELLATION PROCEEDING

Petitioner is being damaged and will continue to be damaged by Registrant's registration for THE GANDERGUNMEN mark, and therefore has standing to cancel the registration. *See*

Lanham Act § 14, 15 U.S.C. § 1064. Petitioner is damaged because THE GANDERGUNMEN mark, when considered in its entirety, is confusingly similar in appearance, sound and commercial impression to Petitioner's GANDER MOUNTAIN and GANDER MTN. marks. Indeed, as reflected in Paragraph 3 of the Amended Petition for Cancellation, Petitioner, through its predecessor in interest, first used the mark GANDER MOUNTAIN in 1960, and since that time, has obtained several registrations for GANDER MOUNTAIN and GANDER MTN., in connection with outdoor sportsman goods and supplies and services related to outdoor sportsman activities. Petitioner was using its GANDER MOUNTAIN and GANDER MTN. marks before Registrant filed its application for THE GANDERGUNMEN.

Moreover, at the time that Registrant first filed its application for the mark THE GANDERGUNMEN, it was foreseeable that Petitioner, a leading provider of hunting products and an avid sponsor of hunting events, promotions, and television and radio programs, would offer its own television programs, and that such use would fall within the natural zone of expansion.¹ Registrant's mark, THE GANDERGUNMEN, when registered throughout the United States without limitation in association with the production and distribution of a hunting show, so resembles Petitioner's marks as to be likely to cause confusion, to cause mistake, or to deceive a substantial number of persons to believe, mistakenly that Registrant's services originate from, or are approved by, or are in some way associated with Petitioner, in violation of Section 2(d) of the Lanham Act, 15 U.S.C. §1052(d). The threat of confusion, mistake, or deception and harm to Petitioner is particularly pernicious here where Registrant does not even

¹ Indeed, Petitioner now owns U.S. Registration Number 3,305,894. Registration number 3,305,894 is for the mark GANDER MTN., which was registered in International Class 41 (the same class that that Registrant's mark is registered in) for the services, "entertainment in the nature of on-going television programs in the field of outdoor activities. *See* Ex. A, Certificate of Registration on Principal Register. Petitioner has been using the GANDER MTN. mark in connection with these services since at least as early as January 3, 2004, and continuously since then. *Id.*

use its alleged mark in connection with the claimed services. Accordingly, Petitioner has standing in the present action to seek cancellation of Registrant's mark.

III. REGISTRANT DOES NOT USE THE GANDERGUNMEN MARK AS A SERVICE MARK

In order to qualify as a service “(1) a service must be a real activity, not merely an idea or concept; (2) a service must be performed to the order of, or for the benefit of, someone other than the applicant; and (3) the activity performed must be qualitatively different from anything necessarily done in connection with the sale of applicant's goods or performance of another service.” *See* Trademark Manual of Examining Procedure §1301.01(a) (5th ed. 2007) (“TMEP”); *see also In Re Betz Paperchem, Inc.*, 222 U.S.P.Q. 89, 90 (T.T.A.B. 1984). In this case, Registrant claims that it is using THE GANDERGUNMEN in connection with the “production and distribution of a hunting show.” While the production and distribution of a hunting show is certainly a real activity, Registrant only performs those services for itself. To put it another way, because Registrant does not provide the services for the benefit of others, the mark does not function as a service mark.

A. Any Production Or Distribution Services Rendered By Registrant Are Completely Ancillary To Its Hard Gravity DVDs

Registrant's only use of the mark is in connection with the production and sale of its own hunting DVDs, a series called “Hard Gravity.” *See* Ex. B, E. Marhoun Dep. Tr. at 144:2-9.² Mr. Marhoun's testimony on this point is clear:

Q: ELM Development LLC is not producing or distributing a hunting show on behalf of or for anybody else?

A: No.

² All Exhibits cited herein are attached to the Declaration of Kevin S. Ueland, which is submitted herewith.

See id. at 275:2-5. An activity that is normally expected or routinely done in connection with, or ancillary to, sale of a product or another service is not a registrable service. *In re Dr. Pepper Co.*, 836 F.2d 508, 5 U.S.P.Q.2d 1207, 1208 (Fed. Cir. 1987); *In re Radio Corp. of America*, 205 F.2d 180, 181, 98 U.S.P.Q. 157, 158 (C.C.P.A. 1953); *Ex parte Wembley, Inc.*, 111 U.S.P.Q. 386, 387 (Comm’r Pats. 1956). To the extent that Registrant engages in any video production or distribution services with respect to its own product, it is no different from any company that offers a video product. To suggest that consumers who purchase DVDs are purchasing services rather than a product defies common sense. In *In re Landmark Communications, Inc.*, 204 U.S.P.Q. 692 (T.T.A.B. 1979), the Board rejected a similar argument made by a newspaper publisher. There the Board stated:

To break down a newspaper ... into the manifold and variegated kinds of articles, stories ... and illustrations it contains and to claim that each is a separate “service” for which a mark ... may be registered is to ignore the commercial reality that a newspaper ... is considered by its readers to be a single publication and not a collection of services.

Id. at 696. Similarly here a consumer would consider the Hard Gravity DVD series to be the product, not a collection of video production and distribution services. Such services are clearly ancillary to the production of the product, and do not constitute services.

B. Registrant Does Not Provide Production Or Distribution Services To Others, Nor Does it Advertise The Provision of Such Services

Registrant will likely contend that it is using the mark in connection with the provision of production and distribution services related to a hunting show, and that it is also advertising that it provides these services. But Registrant’s conclusory assertions about what the evidence shows do not raise a *genuine* issue of material fact. *See Pure Gold, Inc. v. Syntex (U.S.A.), Inc.*, 739 F.2d 624, 627 (Fed. Cir. 1984) (“Mere conclusory assertions do not raise a *genuine* issue of fact.”) (emphasis in original).

The only conceivable evidence Registrant could point to of its offering production and distribution services is a single instance that Mr. Marhoun testified about which occurred in August 2002, where certain editing services were provided to an individual named Jeff Traxler. But to claim that this constitutes rendering services in commerce proves too much. Mr. Marhoun testified that payment for these services came in the form of “lunch and a hunt . . . at [Mr. Traxler’s] hunting preserve.” *See* Ex. B, E. Marhoun Dep. Tr. at 29:13-30:9. Furthermore, Mr. Marhoun admitted that the transaction, which he characterizes as a “barter,” involved Mr. Traxler’s private footage, and was not sold as a commercial hunting show. *Id.* at 28:21-29:20. More importantly, it is not clear that Registrant had anything to do with the editing services that were provided. When asked about Registrant’s role in this incident Mr. Marhoun testified that ELM Development’s primary role was the introduction of Pierce Smith³, who did the editing in his individual capacity, to Mr. Traxler. *Id.* at 25:7-26:11.⁴ Finally, even if Registrant was involved in the editing of Mr. Traxler’s footage, it is the only cited instance of Registrant purportedly providing services to others, and is, by itself, insufficient to constitute use in commerce. *Sinclair Oil Corp. v. Kendrick*, 85 U.S.P.Q.2d 1032, 1037 (T.T.A.B. 2007) (stating that “applicant’s one-time use . . . does not provide a basis for asserting service mark use”).

Nor is Registrant advertising the mark THE GANDERGUNMEN in connection with the claimed services. While true that the website www.gandergunmen.com, includes a statement about offering various video production and editing services, Mr. Marhoun was clear that the

³ Mr. Marhoun testified that Pierce Smith was not an employee of, nor did he have any role with, Registrant. *See* Ex. B, E. Marhoun Dep. Tr. at 16:3-11.

⁴ Mr. Marhoun later claimed that he was involved in the editing process, and that his hunting journal corroborated his belief. But when confronted with his hunting journal, Mr. Marhoun was forced to admit that while Mr. Smith was identified as somebody who edited the videos, neither Mr. Marhoun, nor any other employee of Registrant, was not identified in the journal as someone who provided editing services. *See* Ex. B, E. Marhoun Dep. Tr. at 249:2-251:11.

advertisement of video production services at the website www.gandergunmen.com has nothing to do with Registrant because Registrant does not provide those services. *Id.* at 50:11-51:11.⁵ Mr. Marhoun testified that other advertising that Registrant was involved in was strictly for the “Hard Gravity” DVDs – not for video production and distribution services. *See, e.g., id.* at 86:3-18.

At bottom, the only production and distribution services that Registrant provides are in connection with its own “Hard Gravity” DVD. But these services are not rendered on the behalf of others – and are completely incidental to the production of Registrant’s product. Because Registrant does not use its alleged mark in connection with the provision of services, the Board should cancel the registration based for its failure to function as a service mark.

IV. REGISTRANT PROCURED ITS REGISTRATION THROUGH FALSE STATEMENTS TO THE USPTO

The Board should also cancel Registrant’s mark because Registrant committed fraud in procuring the registration for THE GANDERGUNMEN. “A trademark applicant commits fraud in procuring a registration when it makes material representations of fact in its declaration which it knows or should have known to be false or misleading.” *See Medinol Ltd. v. Neuro Vaxx, Inc.*, 67 U.S.P.Q.2d 1205, 1209 (T.T.A.B. 2003). Here there is no dispute as to what Registrant told the Board. Nor is there any question as to the materiality of the statements. Mr. Marhoun’s admissions at his deposition expose Registrant’s prior statements to the USPTO as false. Furthermore, Mr. Marhoun was the President and Registrant’s only employee when he signed each of the filings that contained the false statements. *See Registrant’s Original Statement of*

⁵ Indeed, since Mr. Marhoun’s deposition, the language at the website has been changed to make clear that it is the GanderGunmen Production Company LLC, not Registrant, that “will *consider* offering video pre and post production services to kindred-minded companies seeking to create collaborative video projects that promote shooting and hunting traditions.” *See* <http://www.gandergunmen.com/aboutus.html>

Use and Substitute Statement of Use (indicating that signatory, Eric Marhoun, is President of Registrant); Ex. B, E. Marhoun Dep. Tr. at 15:2 -16:5. The Board should find that Registrant committed fraud in procuring its registration and cancel the registration.

A. Registrant Falsely Represented To The USPTO That It Was Providing The Claimed Services

The evidence regarding what Registrant stated to the USPTO during prosecution of its trademark application is a matter of public record and indisputable:

- Registrant claimed September 2002 as its date of first use anywhere, and its first use in commerce, in connection with provision of production and distribution services related to a hunting show. *See Registrant's Original Statement of Use and Substitute Statement of Use.*
- On June 20, 2005, Registrant claimed that it was currently using the mark in connection with the provision of production and distribution services related to a hunting show. *See Registrant's Original Statement of Use.*
- On February 12, 2006, Registrant again claimed that it was currently using the mark in connection with the provision of production and distribution services related to a hunting show. *See Registrant's Substitute Statement of Use.*

Equally beyond dispute is the fact that each of these statements were false. At his deposition Mr. Marhoun made several admissions that clearly established that Registrant has never provided the claimed services other than in connection with its own products:

- Q: ELM Development LLC is not producing or distributing a hunting show on behalf of or for anybody else?

A: No. *See Ex. B, E. Marhoun Dep. Tr. at 275:2-5.*

- Q: Underneath that sentence there is another sentence that says: In addition our firm offers to qualified clients contracted pre and post production, video consulting and editing services, do you see that?

A: Yes, I do.

* * *

Q: Do you know whether it's referring to ELM Development Company LLC?

(Objection)

A: I don't know.

Q: Would it be a true statement if it was referring to ELM Development Company LLC?

(Objection)

A: No.

Q: Because ELM Development Company LLC does not provide those services?

A: Not currently. *See id.* at 50:11-51:11.

- Q: [H]as ELM Development LLC provided production or editing services to anybody else, any other?

A: No. *Id.* at 31:8-10.

Furthermore, the statements Registrant made in its filings with the USPTO are material. As the Board stated in *Medinol*, “[t]here is no question that the statement of use would not have been accepted nor would registration have issued but for respondent’s misrepresentation, since the USPTO will not issue a registration covering [services for] . . . which the mark has not been used.” *Medinol*, 67 U.S.P.Q.2d at 1208; *see also Grand Canyon West Ranch, LLC v. Hualapi Tribe*, 2008 WL 2600669, *11 (T.T.A.B. June 30, 2008) (noting that the identification of goods or services defines the scope of rights claimed). To be sure, there is little question that the USPTO would have denied service mark registration had Registrant been clear that it was not providing the claimed services.

Registrant can cite only the Traxler incident as evidence that Registrant was actually providing services to others, in an effort to show that its statements to the USPTO that it was providing such services were not false. But for the reasons stated above, reliance on this single instance is dubious. A single instance is an insufficient basis to claim service mark use. *See*

Sinclair Oil Corp., 85 U.S.P.Q.2d at 1037 (stating that “applicant’s one-time use . . . does not provide a basis for asserting service mark use”). Furthermore, even if the Traxler incident could be properly considered an example of production and distribution services being rendered, and if Registrant were actually involved in the incident, Registrant still engaged in fraud. Mr. Marhoun was clear that the Traxler incident is the *only* time where Registrant even arguably provided production or distribution services to a third-party. *See, e.g.*, Ex. B, E. Marhoun Dep. Tr. at 94:4-95:5; 274:14-275:5. The Traxler incident occurred in August 2002. Despite the absence of any other instances where Registrant provided production or distribution services to a third-party, on June 20, 2005, and February 10, 2006, Registrant stated that it was *currently* providing such services. These statements were clearly false at the time that they were made.

Registrant cannot excuse its false statements to the USPTO by claiming good faith, or lack of deceptive intent. Under this Board’s holding in *Medinol*, fraud does not require specific intent, and good-faith is irrelevant. As the Board recently stated:

It is well established in *inter partes* proceedings “proof of specific intent is not required, rather, fraud occurs when an applicant or registrant makes a false material representation that the applicant or registrant *knew or should have known was false*.

Hurley Int’l LLC v. Volta, 82 U.S.P.Q.2d 1339,1345 (T.T.A.B. 2007) (emphasis added) *citing General Car and Truck Leasing Sys. Inc. v. General Rent-A-Car, Inc.*, 17 U.S.P.Q.2d 1398, 1400 (T.T.A.B. 1990); *see also Medinol*, 67 U.S.P.Q.2d 1205, 1209 (T.T.A.B. 2003). The question thus is whether Mr. Marhoun knew or should have known that the statements made to the USPTO were false. Mr. Marhoun testified that he was the President and sole employee of Registrant,⁶ and as such, was clearly in a position such that he either knew or should have known

⁶ Mr. Marhoun acknowledged that it was fair to say that Registrant is essentially his alter ego. *See* Ex. B, E. Marhoun Dep. Tr. at 16:15-17.

that Registrant was not providing production and distribution services to others. The Board should find that Registrant procured its registration by fraud, and cancel the registration for THE GANDERGUNMEN mark.

The USPTO depends on the accuracy of information provided by an applicant regarding the applicant's goods or services. As the Board recently noted, "[t]he USPTO has no ability to verify the truth of identifications and other critical information independently." *Grand Canyon*, 2008 WL 2600669, *12. Indeed, the Board has repeatedly held that false statements will not be tolerated – regardless of lack of deceptive intent, or other excuses. *See Grand Canyon*, 2008 WL 2600669, *12 (granting summary judgment cancelling registration where registration falsely listed services that the mark was not used in connection with); *Herbaceuticals, Inc. v. Xel Herbaceuticals, Inc.*, 86 U.S.P.Q.2d 1572, 1576 (T.T.A.B. 2008) (granting partial summary judgment cancelling four registrations where registrant falsely submitted statements of use which listed goods upon which the mark was not used); *Hachette Fillipacchi Presse v. Elle Belle, LLC*, 85 U.S.P.Q.2d 1090 (T.T.A.B. 2007) (granting summary judgment based on applicant's false statement to the USPTO that listed goods upon which the mark was not used); *Sinclair Oil Corp. v. Kendrick*, 85 U.S.P.Q.2d 1032 (T.T.A.B. 2007) (fraud found based on applicant's false statement to the USPTO that listed services that applicant did not provide); *Hurley International LLC v. Volta*, 82 U.S.P.Q.2d 1339 (T.T.A.B. 2007) (granting summary judgment cancelling registration based on registrant's false statement to the USPTO that listed services that the mark was not used in connection with); *Standard Knitting Ltd. v. Toyota Jidosha Kabushiki Kaisha*, 77 U.S.P.Q.2d 1917 (T.T.A.B. 2006) (petition for cancellation granted based on registrant's false statement to the USPTO that listed goods upon which the mark was not used); *First International Services Corp. v. Chuckles Inc.*, 5 U.S.P.Q.2d 1628 (T.T.A.B. 1988) (fraud found

based on applicant's false statement to the USPTO that listed goods upon which the mark was not used). This case is no different from those cited above. Registrant clearly knew or should have known that it was not providing production or distribution services related to a hunting show. Registrant's repeated statements to the USPTO that it was in fact providing such services constitutes fraud and renders Registrant's application void *ab initio*.

V. CONCLUSION

Based on Registrant's failure to use its mark as a service mark and on Registrant's fraud on the USPTO, Petitioner respectfully requests that its Motion for Summary Judgment be GRANTED, and Registrant's registration for THE GANDERGUNMEN mark be cancelled.

Respectfully submitted,

GANDER MOUNTAIN COMPANY

Date: September 8, 2008

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing document has been served via first-class mail, postage prepaid, to Christopher J. Schulte and Heather J. Kliebenstein of Merchant & Gould P.C., 3200 IDS Center, 80 South Eighth Street, Minneapolis, Minnesota 55402 this 8th day of September, 2008.

/Kevin S. Ueland/
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